

Larry E. Craig, Chairman
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Conference Report Highlights

April 30, 1998

Highlights to the Conference Report to H.R. 3579 — Emergency Supplemental Appropriations, FY 98

The conferees completed the supplemental conference agreement this morning. The agreement includes \$2.86 billion for emergency defense spending to support U.S. troops in Bosnia and Southwest Asia. Defense funds were declared emergency spending to prevent a further strain on defense readiness, training, operations and modernization. The bill provides \$2.6 billion for disaster assistance which is fully offset. The conferees also agreed to fully offset \$142 million in other non-emergency spending. In addition, the conference report includes \$550 million in mandatory spending for veterans compensation and pensions. [See chart.]

The conference report does NOT include agriculture research provisions, crop insurance, or student loans.

For defense, the conferees agreed to \$2.86 billion, including:

\$1.3 billion for peacekeeping operations in Southwest Asia;
\$478.8 million for Bosnia FY98 operations;
\$256 million for disasters affecting military installations (Typhoon Paka in Guam and other disasters);
\$179 million for enhancements to selected theater missile defense programs to counter enhanced ballistic missile threats;
\$47 million for the Reserve Mobilization Income Insurance Program; and

- Sense of Congress that none of the funds appropriated or otherwise made available by this act may be available for the conduct of offensive operation by U.S. Armed Forces against Iraq unless such operations are specifically authorized by law.
- A provision to urge the President to encourage other nations to contribute to the costs of operations in Iraq and report to Congress within 60 days on the status of that effort.
- A provision to urge the President to seek agreement among NATO members on identifying benchmarks for a sustainable peace process in Bosnia.

For disaster assistance, the conferees agreed to \$2.6 billion (fully offset), including:

\$1.6 billion for the Federal Emergency Management Agency;
\$259 million for the Federal-Aid highways emergency relief program;
\$105.2 million for the Corps of Engineers' operations and maintenance account;
\$80 million for watershed and flood prevention operations;
\$32.8 million for Fish and Wildlife Service Construction;
\$4.5 million for Bureau of Reclamation Water and related resources;
\$130 million for community development block grants;
\$21 million in funds for loans from the Agricultural Credit Insurance Fund (which buys
\$87 million in disaster loans);
\$34 million for emergency conservation program;
\$14 million for tree assistance program;
\$6.8 million for a dairy production indemnity program;
\$4 million for livestock disaster assistance;
\$48 million for state and private forestry for assistance in disaster relief efforts, including
road clearing, tree replacement, and technical assistance;
\$10.5 million for the National Forest Service System;
\$9.5 million for the National Park Service for repairs to damaged property;
\$9.8 million for emergency railroad rehabilitation and repair; and
\$207.5 million for the Strategic Petroleum Reserve Program.

The conferees agreed to the following offsets for emergency funding:

-\$2.3 billion from section 8 housing excess reserves (from reserve money that would go
toward FY99 so it will have no effect on the current year program.
-\$241 million from airport grants-in-aid excess contract authority (total rescission is \$295
million, of which \$54 million is included as a rescission in the non-emergency
offsets). This is excess contract authority, so it will not affect the program.

The conferees provided \$142 million in non-emergency funding, which is fully offset:

Agriculture, \$16 million (including \$12 million for Farm Service Agency loans);
Interior (Minerals Management Service and Indian programs), \$13 million;
Health and Human Services (Centers for Disease Control and Health Care Financing
Administration), \$11.2 million;
Legislative (Capitol dome repairs and perimeter security), \$27.5 million;
Transportation [FAA Year 2000 computer fix (\$25 million), Amtrak Reform Council and
investigation of TWA Flight 800 crash, and National Transportation Safety
Board], \$33.9 million; and
Treasury (Year 2000 computer fix for the IRS and Financial Management Service), \$40.8
million.

Other provisions include:

- **A moratorium until October 1, 1998, on the issuance of final regulations by the Minerals Management Service on the valuation of crude oil for royalty payments;**
- **Compensation to communities negatively affected by the Forest Service's road moratorium and a report by the Chief to the Appropriations Committees; and**
- **A provision allowing federal agencies to offer targeted early retirements, as requested by the Administration (expires at the end of FY 1999).**

The conferees agreed to fully offset the non-emergency funding (\$142 million):

- \$16 million Department of Agriculture;**
- \$3.7 million Bureau of Land Management;**
- \$1.4 million U.S. Fish and Wildlife construction and management;**
- \$1.6 million Bureau of Mines;**
- \$837,000 Bureau of Indian Affairs construction;**
- \$2 million USFS various accounts;**
- \$11.2 million Health Professions Education Fund;**
- \$5.5 million Essential Air Service accounts;**
- \$500,000 FAA facilities, engineering, development;**
- \$508,234 Federal Railroad Administration;**
- \$17 million Treasury building and annex repair;**
- \$10.5 million Customs Service; and**
- \$30.3 million IRS information technology investments.**

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[Attachment: chart]

Budget Authority

Discretionary	Request	Senate-passed	Conference	Conference vs. request	Conference vs. Senate
Title I					
Department of Defense (emergency)	2,021,147,000	2,450,247,000	2,859,995,000	+838,848,000	+409,748,000
Title II					
Natural Disasters & Other Emergencies					
Agriculture	85,000,000	216,780,000	159,800,000	+74,800,000	-56,980,000
Commerce-Justice	—	5,000,000	5,000,000	+5,000,000	—
Energy & Water	27,340,000	63,500,000	109,705,000	+82,365,000	+46,205,000
Interior	96,188,000	521,924,000	314,885,000	+218,697,000	-207,039,000
Labor- HHS	—	9,000,000	—	—	-9,000,000
Transportation	259,000,000	269,600,000	268,800,000	+9,800,000	-800,000
VA, HUD	1,632,189,000	1,860,000,000	1,730,000,000	+97,811,000	-130,000,000
General Provision	—	5,000,000	—	—	-5,000,000
Subtotal	2,099,717,000	2,950,804,000	2,588,190,000	+488,473,000	-362,614,000
Rescissions & Offsets	—	—	-2,588,190,000	-2,588,190,000	-2,588,190,000
Title III					
Supplementals	73,047,000	271,690,197	141,994,000	+68,947,000	-129,696,197
Rescissions & Offsets	-46,472,000	-263,087,185	-142,697,234	-96,225,234	+120,389,951
Titles I, II and III, net	4,147,439,000	5,409,654,012	2,859,291,766	-1,288,147,234	-2,550,362,246
IMF	17,900,000,000	17,900,000,000	—	-17,900,000,000	-17,900,000,000
TOTAL, discretionary	22,047,439,000	23,309,654,012	2,859,291,766	+1,597,076,754	-1,262,215,012
Mandatory	550,000,000	550,000,000	550,270,300	+270,300	+270,300
TOTAL, bill	22,597,439,000	23,859,654,012	3,409,562,066	-19,187,876,934	-20,450,091,946

Title III - Supplementals

	<u>Request</u>	<u>Senate</u>	<u>Conference</u>
Agriculture	11,772,000	9,193,197	15,829,000
Interior	11,375,000	14,475,000	12,815,000
Labor-HHS-Ed	16,000,000	---	11,200,000
Legislative	27,500,000	27,500,000	27,500,000
Transportation	5,400,000	168,300,000	33,850,000
Treasury-Postal	---	50,222,000	40,800,000
GP -'Int'l trade deficit	---	2,000,000	---
Supplementals	72,047,000	271,690,197	141,994,000
Offsets	(46,472,000)	(263,087,185)	(142,697,234)
Net, title III	25,575,000	8,603,012	(703,234)
 Mandatory			
VA compensation and pensions	550,000,000	550,000,000	550,000,000
Payments to heirs of deceased Members	270,300		270,300
Total, mandatory	550,270,300	550,000,000	550,270,300